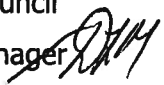




Office of the City Manager
5200 Emerald Parkway • Dublin, OH 43017-1090
Phone: 614-410-4400 • Fax: 614-410-4490

Memo

To: Members of Dublin City Council
From: Dana L. McDaniel, City Manager 
Date: August 20, 2015
Initiated By: Angel L. Mumma, Director of Finance
Re: Resolution No. 62-15 – Designating the Dublin Community Improvement Corporation as an Agency of the City Under Ohio Revised Code Section 1724.10 and Authorizing the Execution of an Agreement and Plan for Industrial, Commercial, Distribution and research Development

Summary

As part of the Development Agreement that was approved between the City and Crawford Hoying Development Partners, LLC. (Ordinance No. 44-15 approved on August 10, 2015), the City has committed to financing a portion of the Phase 1 public improvements - \$11.1 million for the Phase 1 roadway network and \$32 million for the Block B and Block C parking structures.

In anticipation of the approval of the Bridge Park Development Agreement, staff began working with the City's Municipal Advisor, Brad Sprague, as well as Bond Counsel, Chris Franzmann, to prepare a financing package. This financing package not only includes the parking structures and roadway improvements outlined in the Development Agreement, but also other City projects that were expected to be debt financed, including the Justice Center Renovation, the construction of the SR 161/Riverside Drive Roundabout and the Realignment of Riverside Drive. The entire financing package is encompassed within Ordinance Nos. 60-15 through 64-15, which are on Council's agenda for first reading on August 24, 2015 with second reading scheduled for September 8, 2015.

As outlined in the Information Only memo dated August 6, 2015, the bonds issued for the parking structures will be nontax revenue bonds, which are different than the traditional general obligation (GO) bonds that are normally issued by the City for its traditional public infrastructure projects. Nontax revenue bonds differ from general obligation bonds in that they do not represent or constitute a debt or pledge of the full faith and credit of the City. As defined in Chapter 165 of Ohio Revised Code, these bonds are payable solely from the rentals, revenues, and other income, charges, and moneys as are pledged for their payment in accordance with the bond proceedings. While moneys raised by taxation may be used for the payment of these bonds (on an annual and subject to appropriation basis), Ohio law prohibits the City from pledging tax revenues to pay these bonds.

The ORC stipulates that in order for a municipality to issue nontax revenue bonds (under ORC Chapter 165), the project to be financed must first be approved by the City's designated Community Improvement Corporation (CIC). A CIC is organized as an Ohio not-for-profit

corporation and for the purpose of advancing, encouraging and promoting the industrial, economic, commercial and civic development of a community or area (as outlined in ORC Chapter 1724).

The City previously established a CIC in the late 70's – The Dublin Area Community Improvement Corporation. However, staff has determined that its existence as an organization, as determined by the Ohio Secretary of State, ceased in the fall of 2013, after years of no activity and no official filings with the State of Ohio. After discussions with legal counsel, it has been determined that the best course of action is to start anew, creating a new CIC – the Dublin Community Improvement Corporation (Dublin CIC).

Resolution No. 62-15 designates the Dublin CIC as an agency of the City under Ohio Revised Code Section 1724.10.

The structure of the Dublin CIC is outlined in the “Code of Regulations” (Code), which is attached for Council review. This document specifically provides the purpose of the Dublin CIC. While the ORC provides for a number of powers of a CIC, we are proposing to limit the purpose of the Dublin CIC to reviewing and certifying that any project to be financed by the issuance of nontax revenue bonds as provided for in ORC Chapter 165 is in accordance with the Plan as approved by the City and the Dublin CIC. Simply put, the purpose of the Dublin CIC, at this time, is simply to approve the issuance of the City's nontax revenue bonds. If the City chooses to utilize the Dublin CIC for additional purposes in the future, the Code of Regulations would need to be modified to grant to the Dublin CIC additional powers as permitted under the ORC. The Dublin CIC, once established, is the body that will adopt this Code.

The structure of the Dublin CIC is defined within the Code – Section 2. It is our recommendation that the Board of Directors shall be composed of five members, with at least two of whom shall consist of the Mayor, members of City Council, or any other appointed or elected officers of the City. Both of these two individuals will be considered a “Public Director.” The Public Directors shall be permanent members of the Board and will be responsible for appointing the remaining three directors (each, an “Appointed Director”) who shall serve for a term of two years, or until his or her successor is appointed.

Staff recommends that the Public Directors be the Mayor and the Chairperson of the Finance Committee. Furthermore, it is our recommendation that the Appointed Directors be as follows:

- One additional member of City Council
- Assistant City Manager
- Development Director for the City of Dublin

While it is common for the Appointed Directors of a CIC to be community members, based on the limited scope of the Dublin CIC, we felt it was appropriate to recommend staff members to fill these positions. However, in the future, should the Dublin CIC take on additional responsibility, as permitted under ORC, it would be our recommendation to replace staff members with various community members. Additionally, given that the powers of the Dublin CIC are limited to approving the issuance of nontax revenue bonds, the Code stipulates that the CIC is required to

meet one time per year. Again, should the scope of responsibility expand, the Dublin CIC could revise the Code to require additional meetings throughout the course of a year.

Also attached for Council review is the "Agreement and Plan for Industrial, Commercial, Distribution and Research Development" (Plan). The Plan, which is required under ORC Section 1724.10 and will also be approved by the Dublin CIC, defines the responsibilities of the Dublin CIC – namely, to encourage and promote the industrial, commercial, distribution and reserve development of the City in a manner that includes creating and preserving jobs, improving the economic welfare of the people of the City and the state, and maintaining and increasing the tax valuation of property within the City.

As it pertains to the issuance of the nontax revenue bonds, Section 3b outlines that the CIC shall review any project that is proposed to be financed by the City under ORC Chapter 165 to determine whether the project is in accordance with the Plan, and following the review shall certify to the City its determination.

Staff will coordinate the meeting of the Dublin CIC with the anticipated passage of Ordinance No. 64-15 at the September 8, 2015 Council meeting. This Ordinance authorizes the issuance of \$32 million in nontax revenue bonds. The Dublin CIC will be required to make the determination that the issuance of these bonds is in accordance with the Plan in advance of Council's vote on that Ordinance.

Recommendation

Staff is requesting approval of Resolution No. 62-15 at the August 24, 2015 Council meeting.

RECORD OF RESOLUTIONS

Dayton Legal Blank, Inc., Form No. 30045

62-15

Resolution No. _____

Passed _____

, 20____

A RESOLUTION DESIGNATING THE DUBLIN COMMUNITY IMPROVEMENT CORPORATION AS AN AGENCY OF THE CITY UNDER OHIO REVISED CODE SECTION 1724.10 AND AUTHORIZING THE EXECUTION OF AN AGREEMENT AND PLAN FOR INDUSTRIAL, COMMERCIAL, DISTRIBUTION AND RESEARCH DEVELOPMENT.

WHEREAS, the Section 13 of Article VIII of the Ohio Constitution provides that, to create and preserve jobs and employment opportunities and to improve the economic welfare of the people of the State, it is in the public interest and a proper public purpose for a municipal corporation, its agencies or instrumentalities, or corporations not for profit designated by such municipal corporation as its agency or instrumentality, to perform the acts and exercise the powers therein provided; and

WHEREAS, pursuant to Chapter 1724, Ohio Revised Code as it may hereinafter be amended (herein called the "*Act*"), there has been formed a corporation known as "Dublin Community Improvement Corporation", a corporation not for profit as recorded on the Records of Incorporation and Miscellaneous Filings of the Secretary of State of the State of Ohio; and

WHEREAS, there are substantial and pressing problems including but not limited to the development and encouragement of industry, commerce, distribution and research within the confines of this City, which problems may best be solved by and with the assistance of said corporation; and

WHEREAS, it is hereby found and determined that the policy of this City is to promote the health, safety, morals and general welfare of its inhabitants through the designation by resolution of a community improvement corporation as the agency of the City for industrial, commercial, distribution and research development in the City; and

WHEREAS, any political subdivision which has designated a community improvement corporation as such agency may enter into an agreement with said corporation to provide any one or more services specified by Chapter 1724, Ohio Revised Code; and

WHEREAS, this Council has determined that it would be in the best interests of the City to approve and authorize the execution of an Agreement and Plan for Industrial, Commercial, Distribution and Research Development (the "*Agreement and Plan*"), all pursuant to Section 1724.10, Ohio Revised Code;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Dublin, State of Ohio, _____ of the elected members concurring, that:

Section 1. Designation of the Dublin CIC. The Dublin Community Improvement Corporation is hereby designated as the agency of the City, for the industrial, commercial, distribution and research development of the City of Dublin, Ohio. The _____ is hereby appointed to represent the City as a member of the Board of Trustees of the Dublin Community Improvement Corporation.

Section 2. Agreement and Plan of Development. The form of Agreement and Plan for Industrial, Commercial, Distribution and Research Development by and between this City and the Dublin Community Improvement Corporation, in the form presently on file with the Clerk of Council, is hereby approved and authorized with changes therein not inconsistent with this Resolution and not substantially adverse to this City and which shall be approved by the City Manager and Director of Finance. The City Manager and Director of Finance, for and in the name of this City, are hereby authorized to execute the Agreement and Plan, provided further that the approval of changes thereto by those officials, and their character as not being substantially adverse to the City, shall be evidenced conclusively by the execution thereof.

RECORD OF RESOLUTIONS

Dayton Legal Blank, Inc., Form No. 30045

Resolution No. 62-15

Page 2 of 2
Passed _____, 20____

Section 3. Open Meetings. This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the adoption of this Resolution were taken in an open meeting of this Council or committees, and that all deliberations of this Council and any of its committees that resulted in those formal actions were in meetings open to the public, all in compliance with the law.

Section 4. Effective Date. This Resolution is declared to be in full force and effect from and after the earliest period allowed by law.

Signed:

Mayor - Presiding Officer

Attest:

Clerk of Council

Adopted: _____, 2015

Effective: _____, 2015

**AGREEMENT AND PLAN FOR INDUSTRIAL,
COMMERCIAL, DISTRIBUTION AND RESEARCH DEVELOPMENT**

This AGREEMENT AND PLAN FOR INDUSTRIAL, COMMERCIAL, DISTRIBUTION AND RESEARCH DEVELOPMENT (the "*Agreement*"), is being entered into as of the _____ day of _____, 2015, by and between the CITY OF DUBLIN, OHIO (the "*City*"), a municipal corporation duly organized and validly existing under the Constitution and laws of the State of Ohio (the "*State*"), and the DUBLIN COMMUNITY IMPROVEMENT CORPORATION (the "*CIC*"), a community improvement corporation organized and existing as a corporation not for profit under the laws of the State.

RECITALS

WHEREAS, the City, by Resolution No. _____-15 adopted on _____, 2015 and in accordance with Section 1724.10, Ohio Revised Code, has designated the CIC as the agency and instrumentality of the City for the industrial, commercial, distribution and research development of the City and has approved this Agreement and the Plan and authorized the City Manager and the Director of Finance of the City to execute this Agreement on behalf of the City; and

WHEREAS, upon the designation of the CIC as the agency and instrumentality of the City for the aforementioned purposes, the CIC, by Resolution No. _____ adopted on _____, 2015, has proposed that the CIC and the City enter into this Agreement pursuant to Section 1724.10, Ohio Revised Code to provide for a plan for industrial, commercial, distribution and research development within the City (the "*Plan*"), all as provided for in Section 1724.10, Ohio Revised Code;

NOW, THEREFORE, the City and the CIC do hereby agree as follows:

Section 1. Plan. The initial Plan shall be to advance, encourage and promote the industrial, commercial, distribution and research development of the City in a manner which:

- a. Creates and preserves jobs and employment opportunities in the City and the State.
- b. Improves the economic welfare of the people of the City and of the State.
- c. Encourages and causes the maintenance, location, relocation, expansion, modernization and equipment of sites, buildings, structures and appurtenant facilities for industrial, commercial, distribution and research activities within the City and thereby preserves, maintains or creates additional opportunities for employment within the City.
- d. Maintains and increases the tax valuation of property within the City in order that tax revenues may be available to provide services for the preservation of public peace, health, safety and general welfare of the City.
- e. Is consistent with social, economic and geographic factors present in the City.
- f. Is not inconsistent with job needs and skills present in the City.

- g. Is not inconsistent with environmental factors present in the City.
- h. Is in accordance with its applicable planning and zoning.

Section 2. Furtherance of the Plan by the CIC. Such initial Plan may be amended and supplemented from time to time by the City and the CIC and to that end, and to the extent as requested by the legislative authority of the City:

a. The CIC shall prepare and maintain a current inventory and catalog of lands, buildings, or other improvements within the City which are or may become available and suitable for the location, relocation, expansion, modernization or conversion of or to industrial, commercial, distribution or research development facilities in furtherance of this Agreement and the Plan and the accomplishment of its purposes. The CIC agrees that it will, from time to time, supplement and amend any such inventory and catalog in order that it may be currently maintained.

b. The CIC shall cause the preparation of an analysis of the social, economic, geographic and other advantages which the City can offer in support of industrial, commercial, distribution or research development in a form suitable for distribution to those which the City and CIC seek to interest in such development in the City.

Section 3. Implementation of the Plan. In furtherance of the Plan, as from time to time amended, the CIC may, to the extent as requested by the legislative authority of the City:

a. As the agency and instrumentality of the City, advance, encourage and promote the maintenance, location, relocation, expansion, modernization and equipment of buildings, structures and appurtenant facilities, and the acquisition of sites therefor for lease or sale by the City or the CIC for industrial, commercial, distribution and research development activities within the City. Any real or personal property, or both, proposed for acquisition, by gift or purchase, construction, improvement or equipment for such purpose is referred to herein as a "*Development Project*".

b. From time to time, prepare and present to the executive and legislative authorities of the City recommendations for action to be taken in aid of industrial, commercial, distribution and research development in the City. Where appropriate, such recommendations shall include the location, relocation, construction, expansion, modernization, modification or improvement of municipal facilities or services.

c. Upon the request of the City Manager (which may be in lieu of a request of the legislative authority of the City), review any Development Project proposed to be financed by the City pursuant to the authority granted by Article VIII, Section 13, Ohio Constitution and Chapter 165, Ohio Revised Code, to determine whether or not such Development Project is in accordance with this Agreement and the Plan and following such review shall certify to such City its determination.

d. Cause advertising, promotional and educational material to be prepared, printed or otherwise reproduced and distributed and otherwise made available to such extent and in such

manner as in the judgment of the CIC will best assist the industrial, commercial, distribution and research development in the City.

e. Contact and solicit any person, firm or corporation ("*Employer*") which then or in the immediate future is likely to or may be induced to locate, relocate, expand, modify or improve industrial, commercial, distribution or research activities or facilities within the City or which then or in the immediate future threatens to terminate or reduce employment in any such activities or facilities then existing within the City in order to induce said Employer to locate, relocate, expand, modify, improve or maintain its said industrial, commercial, distribution or research activities or facilities in the City.

f. Advance, encourage and promote the establishment, growth and maintenance in the City of industrial, commercial, distribution and research facilities in accordance with and in furtherance of the purposes set forth in Section 1 of this Agreement by:

(i) insuring mortgage payments required by a first mortgage on any industrial, economic, commercial or civic property for which funds have been loaned by any person, corporation, bank or financial or lending institution upon such terms and conditions as the CIC may prescribe.

(ii) incurring debt, mortgaging its property, no matter from what source and by what method acquired, and issuing its obligations for the purpose of acquiring, constructing, improving and equipping buildings, structures and other properties, and acquiring sites therefor, for lease or sale by the CIC, provided that any such debt shall be solely that of the CIC and shall not be secured by the pledge of any moneys received or to be received from the City, the State or any political subdivision thereof.

(iii) making loans to any person, firm, partnership, corporation, joint stock company, association, or trust, and may establish and regulate the terms and conditions with respect to any such loans; provided the CIC shall not approve any application for loan unless and until the person applying for said loan shows that he has applied for the loan through ordinary banking or commercial channels and that the loan has been refused by at least one bank or other financial institution.

(iv) purchasing, receiving, holding, leasing, or otherwise acquiring and selling, conveying, transferring, leasing, subleasing, or otherwise disposing of real and personal property, together with such rights and privileges as maybe incidental and appurtenant thereto and the use thereof, including but not restricted to, any real or personal property acquired by the CIC from time to time in the satisfaction of debts or enforcement of obligations.

(v) acquiring the good will, business, rights, real and personal property, and other assets, or any part thereof, or interest therein, of any persons, firms, partnerships, corporations, joint stock companies, associations, or trusts, and may assume, undertake, or pay the obligations, debts, and liabilities of any such person, firm, partnership, corporation, joint stock company, association, or trust; may acquire improved or unimproved real estate for the purpose of constructing industrial plants or other business establishments thereon or

for the purpose of disposing of such real estate to others in whole or in part for the construction of industrial plants other business establishments; and may acquire, construct or reconstruct, alter, repair, maintain, operate, sell, convey, transfer, lease, sublease, or otherwise dispose of industrial plants or business establishments.

(vi) acquiring, subscribing for, owning, holding, selling, assigning, transferring, mortgaging, pledging, or otherwise disposing of the stock, shares, bonds, debentures, notes, or other securities and evidences of interest in, or indebtedness of, any person, firm, corporation, joint stock company, association, or trust, and while the owner or holder thereof, may exercise all the rights, powers, and privileges of ownership, including the right to vote therein.

(vii) mortgaging, pledging, or otherwise encumbering any property acquired pursuant to the powers contained in paragraphs (iv), (v) or (vi) of this subsection 3(f).

(viii) making application to the Director of the Ohio Development Services Agency of the State for insurance or advance commitments for insurance of mortgage payments required by a first mortgage on any Development Project for which the CIC has loaned its funds or upon which the CIC has borrowed funds, and may make assignments of insured mortgages and provide other forms of security in accordance with the provisions of Section 122.451, Ohio Revised Code.

(ix) soliciting, receiving and using donations or commitments of money or other property of any kind whatsoever from private corporations, firms or organizations.

(x) otherwise exercising any or all of the powers and privileges permitted by, and subject to the limitations of, Section 1724.10, Ohio Revised Code.

g. Sell or to lease any lands or interests in lands owned by the City determined from time to time by the legislative authority of the City not to be required by the City for its purposes, for uses determined by the legislative authority of the City as those that will promote the welfare of the people of the City, stabilize the economy, preserve, maintain or provide employment, and assist in the development of industrial, commercial, distribution and research activities to the benefit of the people of the City and will preserve, maintain or provide additional opportunities for their gainful employment. The legislative authority of the City shall specify the consideration for such sale or lease and any other terms thereof. Any determination made by the legislative authority of the City under this paragraph of this Agreement shall be conclusive. The CIC acting through its officers and on behalf and as agent of the City shall execute the necessary instruments, including deeds conveying the title of the City or leases, to accomplish such sale or lease. Such conveyance or lease shall be made without advertising and receipt of bids. A copy of this Agreement shall be recorded in the office of the county recorder of the County of Franklin, Ohio in which the City is located, prior to the recording of a deed or lease executed pursuant to this Agreement.

Section 4. Miscellaneous.

a. The City may convey to the CIC lands and interest in lands owned by the City and determined by its legislative authority not to be required by the City for its purposes, and that such

conveyance of such land or interests in land will promote the welfare of the people of the City, stabilize the economy, provide employment and assist in the development of industrial, commercial, distribution and research activities to the benefit of the people of the City and preserve, maintain or provide additional opportunities for their gainful employment. The consideration for any such lands and interests in lands so conveyed shall be the fair market value thereof as determined by a qualified appraiser, designated and employed by the City, and confirmed by its legislative authority. The CIC may also, as agency for such development and to the extent requested by the legislative authority of the City, acquire from others additional lands or interests in lands and may convey lands or interests in land provided, however, that any lands or interests in land the CIC may so acquire or convey shall be so acquired or conveyed for uses that will promote the welfare of the people of the City, stabilize the economy, preserve, maintain or provide employment, and assist in the development of industrial, commercial, distribution and research activities required for the people of the City and for their gainful employment. Any conveyance or lease by the City to the CIC shall be made without advertising and receipt of bids. If any lands or interests in lands conveyed by the City to the CIC are sold by the CIC at a price in excess of the consideration received by the City from the CIC therefor, such excess shall be paid to the City after deducting therefrom the following costs to the extent incurred by the CIC; the costs of acquisition and sale by the CIC, taxes, assessments, costs of maintenance, costs of improvements to the land by the CIC, debt service charges of the CIC attributable to such lands or interests, and a reasonable service fee determined by the CIC.

b. The City shall not be required to make any financial contributions to the CIC and nothing in this Agreement and the Plan shall be construed as permitting the CIC to obligate the City except as expressly set forth in this Agreement.

c. All costs of the CIC shall be paid solely from the funds of the CIC and the City need not contribute any moneys to the CIC to meet its costs. In no event shall any moneys raised by taxation be obligated or pledged for the payment of any bonds or other obligations issued or guarantees made pursuant to this Agreement.

d. Not less than two-fifths of the governing board of the CIC shall be comprised of appointed or elected officers of the City or other political subdivision designating the CIC as its agency pursuant to Section 1724.10, Ohio Revised Code.

e. In the event of any voluntary or involuntary dissolution or liquidation of the CIC, or in the event of failure to reinstate the Articles of Incorporation of the CIC after cancellation thereof, any remaining assets of the CIC shall be paid over and distributed as determined by the governing body of the CIC with the approval of the Court of Common Pleas of the County of Franklin, Ohio, to one or more political subdivisions of the State from which on the date of the dissolution, liquidation or cancellation of the Articles of the CIC there exists a designation of the CIC to act as agent for industrial, commercial, distribution and research development, to be used exclusively for designated civic projects or public charitable purposes.

f. The term of this Agreement shall commence on the date of its making and shall continue in effect thereafter except as otherwise provided in this subsection 4(f). Upon the expiration of twelve months after either party shall have given to the other party notice of intention to withdraw from this Agreement, no further actions, agreements, contracts, liabilities or

obligations shall be initiated or incurred pursuant to this Agreement, but any action, agreement, contract, liability or obligation which has been commenced, entered into, initiated or incurred prior to the expiration of such twelve month period shall not be affected by such withdrawal and this Agreement shall remain in full force and effect as to any such action, agreement, contract, liability or obligation and the CIC shall continue as the Agency of the City under this Agreement and the Plan and the designation made by the legislative authority of the City in the ordinance confirming and authorizing this Agreement, as to all such actions, agreements, contracts, liabilities or obligations. Notice of withdrawal shall be given to the City by delivering a copy of such notice to the office by the Clerk of Council of the City and to the CIC by delivering a copy of such notice to the person in charge of its principal office.

g. No provision, term or covenant contained in this Agreement shall be construed as prohibiting or limiting the City from independently exercising any and all powers it may have under the Constitution of the State, Chapter 165, Ohio Revised Code, or any other law.

h. This Agreement may be amended or supplemented from time to time as desired and approved by the legislative authority of the City and the Board of Trustees of the CIC.

i. This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same agreement. It shall not be necessary in proving this Agreement to produce or account for more than one of those counterparts.

(THIS SPACE INTENTIONALLY LEFT BLANK – SIGNATURE PAGE TO FOLLOW)

IN WITNESS WHEREOF, the City and the CIC, by their duly authorized officers, have caused this Agreement to be executed as of the day and year first above written.

DUBLIN COMMUNITY IMPROVEMENT CORPORATION

By: _____
President

Attest: _____
Secretary

CITY OF DUBLIN, OHIO

By: _____
City Manager

Attest: _____
Director of Finance

Approved as to form and correctness:

Director of Law

CODE OF REGULATIONS
OF
DUBLIN COMMUNITY IMPROVEMENT CORPORATION

ARTICLE I

Name

The name of the organization is Dublin Community Improvement Corporation (the "Corporation").

ARTICLE II

Purposes of the Corporation

The Corporation has been organized for the sole purpose of reviewing and certifying, as required under Chapter 165 of the Ohio Revised Code, as the designated agency for development of the City of Dublin, Ohio (the "City") authorized pursuant to Section 1724.10 of the Ohio Revised Code, that a project or projects to be financed by the issuance bonds, as such bonds are authorized by the City pursuant to the authority granted by Article VIII, Section 13, Ohio Constitution and Chapter 165 of the Ohio Revised Code, is in accordance with the plan prepared by the Corporation pursuant to Section 1724.10 of the Revised Code and as such plan has been confirmed and approved by the City.

ARTICLE III

Offices and Registered Agent

Section 1. **Offices.** The Corporation shall have and maintain continuously a registered office in the State of Ohio at such place as may be designated by the Board of Directors or the President. The principal office of the Corporation and such other offices as it may establish shall be located at such place(s), within the State of Ohio, as may be designated by the Board of Directors.

Section 2. **Agent.** The Corporation shall maintain continuously within the State of Ohio a registered agent, which agent shall be designated by the Board of Directors or the President.

Section 3. **Changes.** Any change in the registered office or registered agent of the Corporation shall be accomplished in compliance with the laws of the State of Ohio and Chapter 1702 of the Ohio Revised Code and as provided in these Regulations.

ARTICLE III

Board of Directors

Section 1. **General Power and Duties.** The management, control and direction of the affairs,

property, and interests of the Corporation shall be vested in the Board of Directors. The Board of Directors shall have, and may exercise, any and all powers provided in the Articles of Incorporation or the State of Ohio Nonprofit Corporation Law which are necessary or convenient to carry out the purposes of the Corporation. There shall be one (1) class of membership which shall consist of the members of the Board of Directors. The Board of Directors is deemed the Membership as such term is used in Ohio Revised Code Chapter 1702.

Section 2. Eligibility Requirements for Membership with the Board of Directors.

A. Number. The Board of Directors shall be comprised of five (5) members, at least two (2) of whom shall consist of the mayor of the City, members of the City legislative authority, or any other appointed or elected officers of the City (each a "Public Director"). The Public Directors shall be appointed to the Board of Directors by the City Council of the City. The Public Directors shall be permanent members of the Board. The two (2) Public Directors shall appoint the remaining three (3) directors (each, an "Appointed Director") who shall serve for a term of two (2) years, or until his or her successor is appointed.

B. Change in Number. The number of Directors may at any time be increased or decreased by amendment to these Regulations, but no decrease shall have the effect of shortening the term of any incumbent Director. At all times, at least two-fifths (2/5) of the Directors shall consist of Public Directors.

C. Vacancies. Any vacancy of an Appointed Director on the Board of Directors arising from death, resignation or removal of such Appointed Director in accordance with these Regulations, or an increase in the number of Directors, shall be filled by the affirmative vote of a majority of the remaining directors, even though less than a quorum of the Board of Directors. When a Public Director ceases to be mayor or a member of the legislative authority, the individual replacing him/her shall automatically be substituted as a member of the Board of Directors. A Director elected to fill any vacancy shall hold office for the unexpired term of his or her predecessor and until a successor is elected and qualified.

D. Resignation. A Director may resign at any time by giving notice thereof in writing to the Secretary of the Corporation.

E. Removal. An Appointed Director may be removed, with or without cause, by two-thirds (2/3) vote of the remaining Directors in office or by the Mayor of the City with the approval of the legislative authority of the City. A Public Director may be removed, with or without cause, by the Mayor of the City with the approval of the legislative authority of the City.

F. Election of Chairman and Vice Chairman The Board of Directors, at its first regular meeting, and from time to time thereafter, shall elect one (1) Director as Chairman of the Board of Directors, and may elect one (1) Director as Vice-Chairman of the Board of Directors, each to serve at the pleasure of the Board of Directors. The Chairman of the Board of Directors shall preside at all meetings of the Board of Directors at which he or she is present, and shall perform such other duties as may be required of him or her by the Board of Directors. The Vice-Chairman of the Board of Directors shall preside, in the absence of the Chairman of the Board of Directors, at meetings of the Board of Directors and shall perform such other duties as may be required of him or her by the Board of Directors.

Section 3. Meetings of the Board of Directors.

A. Regular Meetings. Regular meetings of the Board of Directors shall be held at least (1) one time per year as determined by the Board of Directors. Special meetings shall be called at the discretion of the Chairman of the Board of Directors, at the request of (i) any two (2) Directors in office or (ii) the President. The last regular meeting of the Board of Directors in each fiscal year shall constitute its annual meeting.

B. Time and Place of Meetings. The meetings of the board shall be held at such time or place, within or without the State of Ohio, as designated by the Board of Directors.

C. Notice of Meetings. At least fourteen (14) days notice shall be given to each Director of a regular meeting of the Board of Directors. A special meeting of the Board of Directors may be held upon notice of at least five (5) days. Notice of a meeting of the Board of Directors shall specify the date, time and place of the meeting. Unless otherwise required by the Articles of Incorporation, the Regulations, or the laws of the State of Ohio, the notice of any meeting need not specify the purpose or purposes thereof. Notice must be either delivered personally to each Director, mailed to his or her address as it appears on the records of the Corporation or sent by facsimile to his or her facsimile number as it appears on the records of the Corporation. If such notice is given by mail, it shall be deemed delivered when deposited in the United States mail properly addressed and with postage prepaid thereon or confirmation of delivery by the delivery agent of an express mail service. If such notice is given by facsimile, it shall be deemed delivered upon receipt of confirmation that the transmittal has been successful. Notwithstanding the foregoing, a Director may waive notice of any regular or special meeting of the Board of Directors by written statement filed with the Board of Directors, or by oral statement at any such meeting. Attendance at a meeting of the Board of Directors shall also constitute a waiver of notice, except where a Director states that he or she is attending for the purpose of objecting to the conduct of business on the grounds that the meeting was not lawfully called or convened. Notice of a meeting will be deemed to have been waived by any Director who attends such meeting either in person or by proxy, and who does not, before or at the commencement of the meeting, protest the lack of proper notice.

D. Quorum. One-half (1/2) of the number of Directors as fixed pursuant to these Regulations shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

E. Approval. Except as otherwise provided by law, the Articles of Incorporation or these Regulations, all matters before the Board of Directors shall be decided by a majority vote of the Directors present at a meeting at which a quorum exists. Each Director shall be entitled to one vote.

F. Remuneration. The Board of Directors and members of committees of the Board of Directors shall not receive any salary for their services as Directors or committee members, but may, by resolution of the Board of Directors, be reimbursed for any necessary and proper expenses incurred in the performance of duties as members of the Board of Directors or committees of the Board of Directors.

ARTICLE V

Committees

Section 1. Committees. The Board of Directors may create such committee(s) consisting of Directors or other persons, which committee(s) shall have such authority as the Board of Directors may be law permit.

Section 2. Attendance by the President. The President shall be entitled to participate in meetings of the Board of Directors and all committees, but shall not be entitled to vote at such committee meetings in his or her capacity as President.

ARTICLE VI

Officers

Section 1. Designations. The officers of the Corporation shall be a President, a Secretary, a Treasurer and such other Officers as may from time to time be deemed advisable by the Board of Directors. Any two or more offices may be held by the same individual, except for the offices of President and Secretary.

Section 2. Terms of Office. All of the Officers of the Corporation shall hold their offices for such terms, not in excess of three (3) years, as shall be determined from time to time by the Board of Directors, and shall exercise such powers, perform such other duties and receive such compensation as shall be determined from time to time by the Board of Directors.

Section 3. Removal. The Officers of the Corporation shall hold office until their successors are chosen and qualified. Any Officer of the Corporation may be removed, with or without cause, at any time by a majority vote of the Board of Directors in office. Any vacancy occurring in any office of the Corporation may be filled by the Board of Directors.

Section 4. General Powers and Authorities. The President, Vice President Secretary, Treasurer and such other Officers as may be authorized by the Board of Directors may enter into and execute on behalf of the Corporation contracts, leases, debt obligations and all other forms of agreements or instruments, whether under seal or otherwise, permitted by law, the Articles of Incorporation and these Regulations, except where such documents are required by law to be otherwise signed and executed, or where the signing and execution thereof shall be exclusively delegated to some other Officer or agent of the Corporation. The duties and powers of the Officers of the Corporation shall be as provided in these Regulations or as provided pursuant to these Regulations.

Section 5. The President. The President shall be the chief operating officer of the Corporation and, subject to the control of the Board of Directors, shall perform all duties customary to that office and shall supervise and control all of the affairs of the Corporation in accordance with any policies and directives approved by the Board of Directors.

Section 6. Vice President. During the absence or disability of the President, the Vice President, if any, shall exercise all the functions of the President. The Vice President shall have such powers and discharge such duties as may be assigned to him or her from time to time by the

Board of Directors.

Section 7. Secretary. The Secretary shall be responsible for keeping an accurate record of the proceedings of all meetings of the Board of Directors, and such other actions of the Corporation as the Board of Directors shall direct. He or she shall give or cause to be given all notices in accordance with these Regulations or as required by law and, in general, perform all duties customary to the office of secretary. The Secretary shall have custody of the corporate seal of the Corporation, and he or she, or an Assistant Secretary, shall have authority to affix the same to any instrument requiring it. When so affixed, it may be attested by his or her signature or by the signature of such Assistant Secretary. The Board of Directors may give authority to any Officer to affix the seal of the Corporation and to attest the affixing by his or her signature.

Section 8. Treasurer. The Treasurer shall have the custody of all monies and securities of the Corporation and shall keep regular books of account. He or she shall deposit or cause to be deposited all monies or other valuable effects in the name of the Corporation in such depositories as shall be selected by the Board of Directors. The Treasurer shall disburse the funds of the Corporation in payment of the just demands against the Corporation or as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render an account of all his or her transactions as Treasurer and the financial condition of the Corporation to the President and the Board of Directors at its regular meetings or when the Board of Directors so requires. The Treasurer shall perform such other duties as are incident to the office or are properly required by the Board of Directors.

ARTICLE VII

Indemnification

Section 1. The Corporation does hereby indemnify to the maximum extent legally permissible, each Director and Officer and former Director and Officer of the Corporation, and each individual who served at its request as a director, officer or trustee of another Corporation, partnership, joint venture, trust, or other enterprise or employee benefit plan, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with or arising out of any threatened, pending or completed claim, action, suit, proceeding, issue or matter of whatever nature, whether civil, criminal, legislative, administrative or investigative, in which he or she may be involved as a party or otherwise by reason of his or her being or having been such Director, Officer, director, officer or trustee.

Section 2. Expenses, including attorneys' fees, incurred by a Director or Officer of the Corporation in defending any action, suit or proceeding referred to in this Article VII shall be paid by the Corporation as they are incurred, in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the Director or Officer to repay such amount, if it ultimately is determined that such person is not entitled to be indemnified by the Corporation.

Section 3. This indemnification includes amounts paid or incurred in connection with acts of negligence, whether liability on the part of such Director, Officer, director, officer or trustee exists as to the Corporation, its Directors, Officers, agents or employees or as to third parties, including

creditors.

Section 4. This indemnification also extends to any criminal action, suit, investigation or proceeding, provided that the same shall be dismissed against such Director, Officer, director, officer or trustee or that he or she shall have been found not guilty. Such indemnification likewise extends to a criminal action, suit, investigation or proceeding that is terminated by a plea of *nolo contendere*, or its equivalent, to a charge of misdemeanor, provided that the conduct complained of on the part of the Director, Officer, director, officer or trustee was done in good faith and with the belief that it was in the best interest of the Corporation and on the reasonable assumption of its legality.

Section 5. No reimbursement or indemnification shall relate to any expense incurred in connection with any matters as to which such Director, Officer, director, officer or trustee has been adjudged to be liable for gross negligence or misconduct in the performance of his or her duty to the Corporation, exclusive of issues of matters not related to the conduct on which the judgment was based, unless and only to the extent that the court in which the action or suit was brought shall determine that despite such adjudication of liability and in view of all the circumstances of the case, such Director, Officer, director, officer or trustee is fairly and reasonably entitled to indemnification for those expenses that the court shall deem proper.

Section 6. The indemnification provided by this Bylaw shall not be deemed exclusive of any other rights which such Director, Officer, director, officer or trustee may have under any agreement, vote of the Board of Directors or otherwise.

Section 7. No indemnification shall be made under this Article VII if such indemnification would result in any liability for tax under chapter 42 of the Internal Revenue Code of 1986, as amended.

Section 8. Every provision of this Article VII is intended to be severable, and if any term or provision is invalid for any reason whatsoever, such invalidity shall not affect the validity of the remainder of this Article VII.

ARTICLE VIII

Miscellaneous

Section 1. Fiscal Year. The Corporation's fiscal year is that annual period ending with December 31.

Section 2. Depositories. The monies of the Corporation shall be deposited in the name of the Corporation in such bank or banks or financial institution or financial institutions as the Board of Directors shall designate, and shall be drawn from such accounts only by check or order for payment of money signed by such persons, and in such manner, as may be determined by resolution of the Board of Directors.

ARTICLE IX

Amendments

Section 1. Amendment to Articles of Incorporation or Code of Regulations. Amendments to the Articles of Incorporation or Regulations may be proposed by the Board of Directors and such proposed amendment shall be presented to the Board during the next annual meeting or special meeting called for the specific purpose of amending the Regulations or Articles of Incorporation.

Section 2. Procedures for Vote. Copies of proposed amendments shall be mailed by first class mail to all Directors at least five (5) days prior to the meeting. A two-thirds (2/3) majority vote of the Directors must vote in favor of the amendment for passage. Any amendment which fails cannot be resubmitted for a period of one (1) year after the date of the vote.

[End of Code of Regulations]